

**MINUTES OF THE BOARD OF DIRECTORS  
HOLLYWOOD PROPERTY OWNERS ALLIANCE  
September 15, 2011**

Directors Present	Thaddeus Smith, President	The Music Box Theater
	Ron Radachy, Vice President	Oasis of Hollywood
	Frank Stephan, Treasurer	Clarett West Development
	Michael Gargano	Argent Ventures, LLC
	Jan Martin	AMDA
	Galo Medina	Comprehensive Financial Services
	Don Mushin	Toyota of Hollywood
	Tej Sundher	Hollywood Wax Museum
	Neelura Bell	CRA/LA- (Ex-officio Member)
Directors Absent	Jim McPartlin, Secretary	W Hotel Hollywood
	Greg Angelo	Metro
	Chris Bonbright	Whitley Court Partners
	Nathan Korman	NBK, LLC
	John Lyons	Avalon Hollywood/Bardot
	John Tronson	Tronson Investment Group
	Monica Yamada	CIM Group, LP
	Captain Beatrice Girmala	LAPD- (Ex-officio Member)
	David Green	Nederlander Organization- (Ex-officio Member)
	Leron Gubler	Hollywood Chamber - (Ex-officio Member)
Staff	Kerry Morrison	HPOA
	Sarah MacPherson	HPOA
	Joe Mariani	HPOA
Guests	Barron McCoy	CRA/LA
	Lisa Chavez	CBS Radio
	Leslie Greene-Faust	CBS Radio
	Danielle Moser	CBS Radio

## **I. Call to Order**

The meeting was called to order by Board President Thaddeus Smith at 4:07 p.m.

## **II. Open Forum**

The board introduced themselves to the guests in attendance. Barron McCoy also was introduced as the new Regional Administrator for the CRA, replacing Leslie Lambert who recently retired.

## **III. Approval of Minutes**

**It was moved by Jan Martin, seconded by Don Mushin and CARRIED to approve the minutes from the board's July 21, 2011 meeting. Unanimously approved.**

## **IV. Treasurer's Report**

### **A. Treasurer's Report for August 2011/Update on Bank Switch/Assessment Parcel Payment Status:**

Morrison reviewed the various accounts and their balances. Morrison explained that the board is scheduled to end the year with a slightly higher than expected balance, due to the fact that the amount collected in assessments was higher than originally anticipated. However, the board is also currently showing a higher delinquency rate. Sarah MacPherson explained that the high rate was due to the fact that the City has been slow to send us the assessments already collected from public agencies. Additionally, there has been a tedious process underway to separate out all the new parcels associated with the Legacy/Gatehouse project, and to assign responsibility due to the complicated ownership structure. METRO parcels have not been paid for 2010 or 2011, as of yet. Staff has been apprised that the 2010 METRO payment (approximately \$129,000) will be forthcoming.

Additionally, Morrison reported that the staff is still working with RBZ and Wells Fargo to transfer the BID's accounts and funds over to City National bank to avoid incurring additional penalties.

The Board reviewed the master balance sheet and financial statements ending August 31, 2011. **It was moved by Tej Sundher, seconded by Don Mushin and CARRIED to approve the Treasurer's Report.**

### **B. Review of 2010 Tax Returns Prepared by RBZ:**

The board reviewed a copy of the 2010 Tax Return which were prepared by RBZ. Each board member was provided with a copy of the Return for their personal records.

### **C. Briefing on Slip/Fall Claim/Insurance Policy Renewal Update:**

Jeff Briggs briefed the board on recent liability claims that have impacted the Association's ability to obtain affordable general liability insurance. The current insurance carrier informed our broker that it would not renew our general liability for the coming year. At issue was a lawsuit which occurred last year regarding a slip and fall on the Walk of Fame, near the Galaxy project. The BID was eventually removed from the suit however, at the time the BID's insurance carrier paid \$12,000 in defense charges. A little after this suit, a second claim was filed regarding a trip and fall on a below grade tree well

located on Orange Drive. Briggs had immediately contacted the City Attorney to have the BID removed from the complaint, as it had no involvement with the well. The City Attorney is working on the case and has been unable to share details with Briggs. Meanwhile, because of the uncertainty resulting from this new claim, in the face of a non-renewed policy, close to a dozen companies have been approached by the Association's insurance broker and have denied coverage. Only one company has agreed to write the general liability policy, at a cost of \$30,000. (The current GL policy with Philadelphia cost \$1,500 a year.) Morrison informed the board that Steve Romine has been retained as an insurance consultant to aid in our search process. Our current insurance policy has been extended for one month (until October 9, 2011) to allow us time to look for a new carrier that will be less than the proposed \$30,000 annual premium.

No specific action was requested as there will be a need to secure insurance before the next board meeting. The board was alerted as to the worst case scenario, but a team involving Morrison, Briggs, Romine and our broker will be working to ameliorate this situation and secure affordable coverage.

## **V. Committee/Activity Reports**

### **A. Marketing and Communications**

**1. CBS Radio Presentation:** Leslie Greene-Faust showed the board marketing materials for KFWB's 'On Your Corner,' a promotional program where KFWB broadcasts from a city (location) for an 11 hour day. The remote broadcast would be advertised for weeks leading up to the event and can serve as a great promotional tool for not only the area, but local businesses as well. The KFWB team explained to the board that they would love Hollywood to be the host location for January 2012.

**2. Pow Wow 2012:** Morrison informed the board that the staff had met with LA Inc. and that the BID would receive mention on the website for Pow Wow as a showing of appreciation for their support of the event. Morrison also mentioned that she and Devin Strecker are working on a concept to try and portray Hollywood as a "work in progress" to visitors who attend the event.

**3. 2011-12 Visitors Guide:** The board received copies of this year's Hollywood Visitor Guide and Map.

### **B. Hollywood Facelift Working Group**

**1. Marketing CRA Property Enhancement Program (CPEP):** Neelura Bell reported that brochures are being produced for CPEP. Although, the CRA is still waiting for funds to be released by the state in the new year, Bell said that the program can at least begin marketing to stakeholders to develop interest from the community. Bell also said that there will be three community information meetings that will be open for owners who are interested in the program to attend and obtain additional information. The dates for the meetings will be October 12, 19, and 25<sup>th</sup>.

**2. Report from Team Captain Meeting:** On Monday, September 12 Facelift Team Captains (Sundher, Yamada, Mushin, Smith, Radachy) met at the HPOA office to develop a strategy for the next steps in the Facelift program. At the suggestion of the team captains, Morrison said that the staff had developed a property rating system to grade existing properties on their current condition.

This would help to create a benchmark against which to measure progress. Joseph Mariani walked the board through a couple examples the staff had conducted earlier in the week. The HPOA staff is working with respective area captains to develop an outreach plan to grade properties and distribute both CPEP flyers and the preferred vendor guide to property owners in the area.

**3. Fall Seminar with Retail Smart Guys:** Sarah MacPherson let the board know that she is working on trying to coordinate another retail seminar in November and will invite the board to attend once a date has been finalized.

### **C. Security Committee**

**1. Report from Security Meeting:** Mariani shared with the board that Andrews International is continuing to do a great job in addressing “quality of life issues” and working to connect homeless individuals with service providers in the area. LAPD Captain Girmala, who attended the committee meeting, shared with the committee her concern regarding a “growing criminal homeless population” in the area. Captain Girmala reported that a majority of LAPD’s calls have been related to homeless issues. Mariani explained to the board that both BID Security and outreach providers are doing their best to work with LAPD to determine what steps they would like us to take as they try to assist in making sure those individuals who need services are properly connected.

**2. Cahuenga Corridor Meetings:** Morrison explained to the board that Mitch O’Farrell is working on a motion for City Council which would allow the Cahuenga Pilot Valet program to go into effect. The motion would also prevent “rogue valet companies” from continuing to operate along Cahuenga during evening hours.

**3. Progress Report – Community Impact Team:** Next week the Community Impact Team will be meeting to take a good look at the growing Tour Bus issues in Hollywood. Both Morrison and Mariani attended a meeting with representatives from LADOT last week in Councilmember Garcetti’s office to discuss the possibility of escalating fines for busses that are consistently monopolizing public parking spaces along the Boulevard. There is a follow up meeting scheduled for the 30<sup>th</sup> of September.

**4. Board Discussion Regarding Security Contract:** Morrison informed the board that the current Security and Maintenance contracts are scheduled to expire at the end of this year. After discussing it with the Sunset and Vine Board they believed the contract should be bid out eventually, but were not sure if now was the time due to the great work both vendors have been doing. Further, to bid both out at the same time would pose a hardship on staff and board members involved. Staggering the competitive bidding process would make more sense. After some discussion the board agreed that if both vendors could be approached and asked for a deal on the contract extension it would be a better decision at this time rather than bidding both contracts out. Sundher also suggested that the board revisit the current contracts to ensure liability, in regards to services rendered, falls on the contractors rather than the BID.

### **D. Streetscape Committee**

**1. Report from EaCa Pedestrian Alley Project:** Sarah MacPherson reported that the alley project is continuing to move forward as the City’s crews were out today installing pavers. MacPherson hopes to have more photos to show of their progress at the next board meeting.

**2. District Walk Through with Rick Anderson, Clean Street:** MacPherson told the board about the recent walkthrough with Rick Anderson from Clean Streets and said that she checked with him on several deliverables and also discussed the potential renewal of the contract.

**3. Final Report on DG-Installation Project:** The DG installation project has been completed. MacPherson reported that approximately 345 tree wells within the District's boundaries were filled.

**4. Report on City Contract with Martin Outdoor Media:** Mariani distributed the latest renderings of what the proposed Martin Outdoor benches will look like. Mariani said that the City has entered into a contract with the vendor to install numerous benches throughout the City of Los Angeles, however the board will have the right to refuse the installation of benches in locations where current Hollywood Entertainment District benches are already installed.

**5. Update on City Waste Removal Franchise:** The board was given comment forms to send into the city to express their concerns about the waste removal services in the City going to a franchise system. Mariani said he has spoken with Cerrell and Associates who are currently working with the LA Chamber to conduct a study of the negative effects such a plan would have on the City. As of right now the City has not formally decided on going forward with the initiative but there are organizations looking into fighting it.

#### **E. Nominating Committee**

**1. Current Board Vacancies:** Morrison reported that the board has two current mid-term vacancies. The nominating committee has reviewed the applications submitted for the Board's November election and would like to recommend that the two current mid-term vacancies be filled by Greg Beck of Champion Real Estate and Thomas Goffigon of The Lofts at Hollywood and Vine. Morrison said if elected to the board the two candidates will draw straws at the next meeting to determine which will take the one or two year term seat.

**It was moved by Galo Medina, seconded by Don Mushin and CARRIED to elect Greg Beck to fill current board vacancy. Unanimously approved.**

**It was moved by Galo Medina, seconded by Ron Radachy and CARRIED to elect Thomas Goffigon to fill current board vacancy. Unanimously approved.**

#### **VI. Old Business**

There was no old business to report.

#### **VII. New Business**

**A. Oasis Fund Raiser:** Ron Radachy invited the board the Oasis of Hollywood's fund raiser at Castaways Restaurant on Saturday, October 15, 2011.

## **VII. Executive Director's Report**

**A. Sunset BID Renewal Update:** Morrison informed the board that on Tuesday the Sunset and Vine BID had been renewed for a 7 year term with an overwhelming 88.57% approval rate.

**B. Hollywood 4WRD:** United Way's annual HomeWalk event will take place on Saturday, November 19, 2011. Morrison invited the board to sign up and join the staff in participating in the walk. Registration information can be found on the United Way's website.

**C. Staff/Office Open House:** The staff will be hosting an open house on Thursday, October 20. The theme will be Hollywood Facelift, and board members were invited to attend.

**D. International Downtown Association Conference:** Morrison and Smith will be attending this year's conference as representatives of the BID. Smith will also be speaking on a panel with other Board CEOs and Presidents.

**E. Appointment to Los Angeles Homeless Authority:** Morrison has been appointed to the LAHSA board, and will begin her term in the near future. Morrison thanked the board for their support in allowing her volunteer in serving the City in this new role.

## **X. Next Meeting:**

The next meeting was scheduled for Thursday, October 20 at 4 p.m. in Suite 200 of the Taft Building (1680 Vine St., Los Angeles, CA. 90028).

## **XII. Adjourn**

There being no further business the meeting was adjourned by Board President Thaddeus Smith at 5:46 p.m.